

September 21, 2001

Robert W. Healy  
City Manager  
City of Cambridge  
795 Massachusetts Avenue  
Cambridge, Massachusetts 02139

Dear Mr. Healy:

I am pleased to attach this letter to Harvard University's 2000-2001 Town Gown Report.

Harvard Planning and Real Estate owns and manages approximately 295,000 gross square feet of taxable, commercial real estate in Cambridge. This space is leased to non-institutional tenants, who bring a tremendous wealth of goods, services and amenities to Cambridge and its residents and visitors. Seventy-three percent of Harvard's commercial real estate holdings in Cambridge are located in Harvard Square. These holdings contribute to the economic vitality and built environment of Harvard Square and reinforce the cultural and socioeconomic diversity of its visitors and patrons.

Harvard's commercial real estate holdings support its academic mission, and are managed to accomplish three real estate objectives.

First, when leasing commercial holdings, Harvard seeks to maintain a mix of retail and service-oriented tenants who meet the needs of both the University community and of the local community. The wide range of 30 retail outlets in Harvard Square contributes to the culturally and socio-economically diverse nature of the Harvard community and Cambridge neighborhoods. Sixteen service-oriented tenants, such as banks, florists, and dry-cleaners, contribute to the long-term sustainability of Harvard Square.

**Harvard University Commercial Real Estate  
in Harvard Square<sup>1</sup>**

Number	Type of Tenant	Unit of Measure
13	Restaurants	30,827 SF
17	Retail Shops	46,311 SF
16	Service-oriented businesses	63,861 SF
2	Hotels	186 rooms
3	Public parking facilities <sup>2</sup>	approximately 300 parking spaces
6	ATMs & Rooftop Antennas	--

Harvard Square has recently become famous as a place that successfully hosts the flagship locations of many successful regional and national stores. The Square remains, however, a unique niche for

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<sup>1</sup> This represents only a subset of the University's taxable commercial real estate. It has been provided as an example.

<sup>2</sup> Holyoke Center, 51 Church Street and some spaces in the Harvard Square Hotel are available for public parking.

independent stores as well. Many of these independent stores, particularly some of the Square's long-standing retail institutions, are located in Harvard-owned commercial buildings. Bartley's Burger, the Globe Corner Bookstore, Club Passim, and Ferranti-Dege are only a few examples of Harvard tenants who have operated businesses in Harvard Square for years. Harvard's lease terms have been established to enable such unique entities to remain in the Square.

Second, the University's commercial holdings allow flexibility for future institutional use. As mentioned in the 2000-2001 Town Gown Report, Harvard's Schools have programmatic needs for additional academic space. Meeting these space requirements is critical to the success and competitiveness of the University's academic programs. To meet immediate needs, the University leases approximately 300,000 gross square feet of office space in Harvard and Central Squares from third parties. The number of leased square feet is nearly equivalent to the amount of University-owned space that is leased to non-institutional tenants.

Finally, Harvard owns commercial real estate in the area surrounding its campus as one way to influence positively the physical environment and reinforce the unique character of Harvard Square. Some of Harvard Square's most historically and visually-appealing storefronts are owned by the University. Leavitt and Pierce, Gnomen Copy, and The Harvard Square Bookstore are in Harvard-owned buildings and have some of the Square's most notable and character-rich storefronts. Main Streets across America are striving for intact, visually appealing streetscapes like those that extend along Massachusetts Avenue from the Inn at Harvard to Holyoke Center.

Harvard manages its commercial real estate holdings to achieve three important campus planning objectives: to provide services and amenities that are valued by students, faculty, staff and neighbors, to maintain holdings that afford flexibility for future academic uses, and to influence positively the character of its immediate environs. In addition to supporting the University's academic mission, these objectives also reflect the City of Cambridge's "Community Values" as expressed in the Cambridge City Council FY02 Goals by strengthening the City's "cultural and socioeconomic diversity," promoting "commercial diversity and vitality," and reinforcing "the unique character of our city." Thank you for the opportunity to present this information.

Sincerely,

Kathy A. Spiegelman  
Associate Vice President  
Harvard Planning and Real Estate

Attachments: "Town Gown Mapping Question E: Commercial Real Estate Owned and Leased"

cc: Mary Power and Travis McCready, Office of Government and Community Affairs  
Ed Reiss and Harris Band, Harvard Planning and Real Estate